

9--361A100

LIDDELL, SAPP, ZIVLEY, HILL & LABOON

A PARTNERSHIP INCLUDING PROFESSIONAL CORPORATIONS

ATTORNEYS

TEXAS COMMERCE TOWER

HOUSTON, TEXAS 77002

(713) 226-1200

TELEX 76-2616

TELECOPIER (713) 223-3717

1200 TEXAS COMMERCE TOWER

2200 ROSS AVENUE

DALLAS, TEXAS 75201

(214) 220-4800

TELECOPIER (214) 220-4899

301 CONGRESS AVENUE

SUITE 1400

AUSTIN, TEXAS 78701

(512) 320-4111

TELECOPIER (512) 320-4161

237 PARK AVENUE
NEW YORK, NEW YORK 10017
(212) 455-9300
TELECOPIER (212) 986-7281

December 21, 1989

RECORDATION NO

FILED 1425

16675

VIA FEDERAL EXPRESS

DEC 27 1989 -11 35 AM

Secretary
Interstate Commerce Commission
Washington, D.C. 20423

INTERSTATE COMMERCE COMMISSION

Re: Documents for Recordation

Dear Secretary:

I have enclosed duplicate originals of the document described below, to be recorded pursuant to Section 11303 of Title 49 of the United States Code:

Rolling Stock Security Agreement, a primary document, dated December 20, 1989. The names and addresses of the parties to this Security Agreement are as follows:

Grantor: Arcadian Corporation
2650 Thousand Oaks Blvd.,
Suite 2220
Memphis, Tennessee 38118

Grantee: Texas Commerce Bank National
Association, as Agent
712 Main Street
Houston, Texas 77002

A description of the equipment and leases covered by this document is attached to this letter as Schedule 1 and Schedule 2. Included in the property covered by the aforesaid Rolling Stock Security Agreement are locomotives, tugs and railroad tank cars intended for use related to interstate commerce, or interests therein, owned or leased by Arcadian Corporation at the date of said Agreement or thereafter acquired or leased by it or its successors.

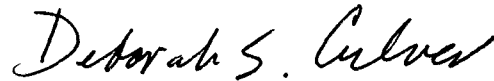
A fee of \$15.00 is enclosed to cover the cost of filing. Please return the original after recordation to the undersigned.

If you have any questions or need any additional information in order to record the enclosed document, please contact the undersigned at 713/226-1377 or Ms. Jackie Turk at 713/226-1134.

Secretary
Interstate Commerce Commission
December 21, 1989
Page 2

Thank you for your assistance in this matter.

Very truly yours,

A handwritten signature in cursive script that reads "Deborah S. Culver".

Deborah S. Culver
For the Firm

DSC/tlr
encl.
robertst/tlj/arcadian.008

xc: Ms. Jackie Turk (Firm)

SCHEDULE 1
to the
ROLLING STOCK SECURITY AGREEMENT

OWNED ROLLING STOCK

1. G.E. Diesel Locomotive, Model B-D160/160 4GHM833-500;
Serial No. 18071
2. G.E. Diesel Locomotive, Model D50/50, G.E. 723/150;
Serial No. 3129
3. Clark CT50 Tug 2144640
4. Clark CT50 Tug 2154640
5. Clark CT50 Tug 82-5001
6. Railroad Tank Cars with an A.A.R. Mechanical Designation
of "T":

(a) Eighty-One Aluminum Tank Cars identified as follows:

CNCX10001	CNCX10002	CNCX10003	CNCX10004	CNCX10005
CNCX10006	CNCX10007	CNCX10008	CNCX10009	CNCX10010
CNCX10011	CNCX10012	CNCX10013	CNCX10014	CNCX10015
CNCX10016	CNCX10017	CNCX10018	CNCX10019	CNCX10020
CNCX10022	CNCX10023	CNCX10024	CNCX10025	CNCX10026
CNCX10027	CNCX10028	CNCX10029	CNCX10030	CNCX10031
CNCX10032	CNCX10033	CNCX10034	CNCX10035	CNCX10036
CNCX10037	CNCX10038	CNCX10039	CNCX10040	CNCX10041
CNCX10042	CNCX10044	CNCX10045	CNCX10046	CNCX10047
CNCX10048	CNCX10050	CNCX10051	CNCX10052	CNCX10053
CNCX10054	CNCX10055	CNCX10056	CNCX10057	CNCX10058
CNCX10059	CNCX10060	CNCX10061	CNCX10062	CNCX10063
CNCX10064	CNCX21001	CNCX21002	CNCX21003	CNCX21004
CNCX21005	CNCX21006	CNCX21007	CNCX21008	CNCX21009
CNCX21010	CNCX21011	CNCX21012	CNCX21013	CNCX21014
CNCX21015	CNCX21016	CNCX21017	CNCX21018	CNCX21019
CNCX21020				

(b) Twenty Aluminum Coiled Tank Cars identified as follows:

CNCX20001	CNCX20002	CNCX20003	CNCX20004	CNCX20005
CNCX20006	CNCX20007	CNCX20008	CNCX20009	CNCX20010
CNCX20011	CNCX20012	CNCX20013	CNCX20014	CNCX20015
CNCX20016	CNCX20017	CNCX20018	CNCX20019	CNCX20020

(c) Ten Stainless Steel Tank Cars identified as follows:

CNCX30001	CNCX30002	CNCX30003	CNCX30004	CNCX30005
CNCX30006	CNCX30007	CNCX30008	CNCX30009	CNCX30010

SAC\29842\9001
09100060.DOC

DEL-207 89 11:46 10 BRACKET POSITION TEL NO. 821222

SCHEDULE 2
to the
ROLLING STOCK SECURITY AGREEMENT

ROLLING STOCK LEASES

1. Car Leasing Agreement No. 3408 dated June 6, 1985 between General Electric Railcar Services Corporation ("GERSCO") as lessor, and Hawkeye Chemical Company, Inc. ("Hawkeye"), as lessee; as amended and/or supplemented by:
 - (a) Rider No. 1 to Car Leasing Agreement No. 3408 dated November 5, 1985 between GERSCO and Hawkeye (assumed by PLM Railcar Management Services as lease assignee from GERSCO);
 - (b) Rider No. 4 to Car Leasing Agreement No. 3048 dated March 3, 1988 between GERSCO and Hawkeye.
2. Car Leasing Agreement No. 9344-83 dated January 20, 1989 between General Electric Rail Car Services Corporation ("GERSCO") as lessor, and Western Branch Holding Co., Inc. ("Nitrex"), as lessee, as supplemented by Rider No. 1 to Car Leasing Agreement No. 9344-83 dated January 20, 1989 between GERSCO and Nitrex.
3. Pullman Leasing Company Lease of Railroad Equipment dated February 22, 1989 between Pullman Leasing Company ("Pullman"), as lessor, and Western Branch Holding Company d/b/a Nitrex ("Nitrex") as lessee; as amended and/or supplemented by:
 - (a) Rider No. 1 to Lease No. WESBRI01A dated February 22, 1989 between Pullman and Nitrex, effective February 1, 1989;
 - (b) Rider No. 3 dated July 2, 1989 to Lease No. WESBRI03A dated February 22, 1989 between Pullman and Nitrex.
4. Car Service Agreement dated October 1, 1984 between Union Tank Car Company ("UTLX"), as lessor, and Columbia Nitrogen Corporation ("Columbia"), as lessee, as amended and/or supplemented by:
 - (a) Rider No. 7 to Car Service Agreement dated November 13, 1987 between UTLX and Columbia;

- DEC 20 83 11:43 ID BRACEP: ROOSTON TEL NO 221122
- (b) Rider No. 9 to Car Service Agreement dated December 1, 1988 between UTLX and Columbia; and
 - (c) All other riders to the Car Service Agreement, to the extent that the Car Service Agreement and the Riders thereto have been renewed and/or are effective as of the date hereof.
5. Union Tank Car Company Car Service Agreement dated January 1, 1961 between Union Tank Car Company ("UTLX"), as lessor, and Olin Mathieson Chemical Corporation ("Olin"), as lessee:
- (a) to the extent permission to grant a security interest was sought by that certain letter dated August 9, 1989 from Olin to UTLX; and
 - (b) for the fifty three (53) cars identified on the Exhibit A attached to that certain letter dated August 16, 1989 from UTLX to Olin as limited by the Section 4.04 labeled Subordination and attached thereto.
6. Car Service Contract dated June 13, 1985 between Union Tank Car Company ("UTLX"), as lessor, and Hawkeye Chemical Company ("Hawkeye"), as lessee; as amended and/or supplemented by:
- (a) Rider No. 7 dated June 1, 1988 to Car Service Agreement dated June 13, 1985 between UTLX and Hawkeye;
 - (b) Rider No. 8 dated February 1, 1989 to Car Service Agreement dated June 13, 1985 between UTLX and Hawkeye.

SAC\29842\9801
09100086.DOC

Interstate Commerce Commission
Washington, D.C. 20423

12/27/89

OFFICE OF THE SECRETARY

Deborah S. Culver
Liddell, Sapp, Zivley, Hill & LaBoon
Texas Commerce Tower
Houston, Texas 77002

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 12/27/89 at 11:35am, and assigned recordation number(s). 16675

Sincerely yours,



Noreta R. McGee
Secretary

Enclosure(s)

16675
RECORDATION NO. _____ FILED 1425

DEC 27 1989 -11 35 AM

(SBH/TSH)AC-RSSA

INTERSTATE COMMERCE COMMISSION

ROLLING STOCK SECURITY AGREEMENT

ARCADIAN CORPORATION, a Delaware corporation, hereinafter called "Grantor", whose address is 2650 Thousand Oaks Blvd., Suite 2220, Memphis, Tennessee 38118, and TEXAS COMMERCE BANK NATIONAL ASSOCIATION, as Agent under the Credit Agreement (as that term is hereinafter defined), hereinafter called "Grantee", whose address is 712 Main Street, Houston, Texas 77002, agree as follows:

WHEREAS, Grantor owns the Rolling Stock listed on Schedule 1 annexed hereto and is a party to the Rolling Stock Leases listed on Schedule 2 annexed hereto;

WHEREAS, the Grantor, certain banks and Grantee, as agent for such banks, are parties to a Credit Agreement of even date herewith (as the same may be amended and in effect from time to time among said parties and such banks (the "Banks") as may from time to time be parties thereto, the "Credit Agreement");

WHEREAS, pursuant to the terms of the Security Agreement of even date herewith (as said Security Agreement may be amended, restated, modified, supplemented and in effect from time to time, the "Security Agreement"), between Grantor and Grantee, as agent for the secured parties referred to therein, Grantor has granted to Grantee for the ratable benefit of such secured parties a security interest in substantially all the assets of the Grantor including all right, title and interest of Grantor in, to and under all Grantor's Rolling Stock (as defined below) and Leased Rolling Stock (as defined below), together with any and all accessions, appurtenances and parts installed on and additions thereto, and replacements thereof, all Rolling Stock Leases (as defined below) to which Grantor is a party, whether presently existing or hereafter arising or acquired, and all products and proceeds thereof, including, without limitation, all rights of Grantor to receive and apply any Rolling Stock Revenues (as defined below) attributable to any Leased Rolling Stock or pursuant to any Rolling Stock Leases and all rights now owned or hereinafter received by Grantor to receive and collect any Rolling Stock Revenues attributable to any Rolling Stock, to secure the payment of all amounts owing by the Grantor under the Credit Agreement;

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor does hereby grant to Grantee a continuing security interest in all of Grantor's right, title and interest in, to and under the following (all of the following items or types of property being herein collectively referred to as the "Rolling Stock Collateral"), whether presently existing or hereafter arising or acquired, to

secure the payment of the Secured Obligations (as defined in the Security Agreement) of Grantor and the performance of all obligations of Grantor under the Credit Agreement, the Security Agreement and this Rolling Stock Security Agreement:

(i) All railcars, locomotives, barges and water carrier equipment and all accessions, appurtenances and parts installed on and additions thereto, and replacements thereof, now owned or hereinafter acquired by Grantor ("Rolling Stock"), including, without limitation, the Rolling Stock described in Schedule 1 annexed hereto;

(ii) All railcar leases, subleases, rental agreements, railroad car service agreements, railroad car service contracts and car hire contracts in which Grantor shall at any time have any interest, all management agreements concerning all such leases and agreements (collectively, the "Rolling Stock Leases"), including, without limitation, each Rolling Stock Lease referred to in Schedule 2 annexed hereto and all railcars and equipment provided pursuant to any Rolling Stock Leases (the "Leased Rolling Stock"), including without limitation, the Leased Rolling Stock referred to in Schedule 2 annexed hereto; in each case, and including, without limitation, all rights of Grantor to receive or apply any Rolling Stock Revenues (as defined below) attributable to any Leased Rolling Stock or pursuant to any Rolling Stock Lease;

(iii) All rights now owned or hereafter acquired by Grantor to receive and collect any monies, revenues, payments or credits now owned or hereafter acquired by Grantor which are generated by or attributable to the Rolling Stock or Leased Rolling Stock, including, without limitation, railcar hire payments, mileage allowances, per diem mileage payments, empty mileage allowances, mileage credits, excess mileage credits and tariff mileage credits, in each case whether now existing or hereafter arising, attributable to any Rolling Stock ("Rolling Stock Revenues"); and

(iv) All products and proceeds of, attachments or accessions to, all Rolling Stock, Rolling Stock Leases and Rolling Stock Revenues.

Grantor represents and warrants to the Grantee that as of the date hereof it has no right, title or interest in any Rolling Stock, Rolling Stock Leases or Leased Rolling Stock except as set forth on Schedule 1 annexed hereto (except for the Rolling Stock

described in Paragraph 7 of the Perfection Certificate dated of even date herewith). This security interest is granted in conjunction with the security interests granted to the Grantee pursuant to the Security Agreement and is subject to the terms and conditions contained in the Security Agreement including, but without limitation, the limitations of Section 9.31 of the Credit Agreement which are incorporated into the Security Agreement by reference. Grantor does hereby further acknowledge and affirm that the rights and remedies of Grantee with respect to the security interest in the Rolling Stock Collateral made and granted hereby are more fully set forth in the Security Agreement, the terms and provisions of which are incorporated by reference herein as if fully set forth herein.

THIS AGREEMENT SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAW OF THE STATE OF TEXAS. GRANTOR HEREBY SUBMITS TO THE NONEXCLUSIVE JURISDICTION OF THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF TEXAS (HOUSTON DIVISION) AND OF ANY TEXAS STATE COURT SITTING IN HARRIS COUNTY FOR PURPOSES OF ALL LEGAL PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. GRANTOR IRREVOCABLY WAIVES, TO THE FULLEST EXTENT PERMITTED BY LAW, ANY OBJECTION WHICH IT MAY NOW OR HEREAFTER HAVE TO THE LAYING OF THE VENUE OF ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT AND ANY CLAIM THAT ANY SUCH PROCEEDING BROUGHT IN SUCH A COURT HAS BEEN BROUGHT IN AN INCONVENIENT FORUM.

In WITNESS WHEREOF, Grantor and Grantee have caused this Rolling Stock Security Agreement to be duly executed by their respective officers thereunto duly authorized as of the 20th day of December, 1989.

ARCADIAN CORPORATION, a Delaware corporation

By: 

Name: _____

Title: _____

Kevin P. O'Meara
Vice President and Assistant Secretary

(SBH/TSH)AC-RSSA

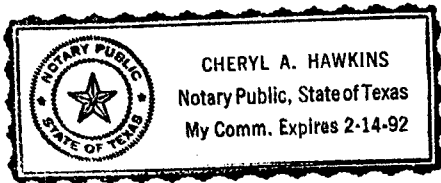
TEXAS COMMERCE BANK NATIONAL
ASSOCIATION, a national banking
association, as Agent

By: *G.R. Ford*
Name: _____
Title: _____

Gregory R. Ford
Vice President

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledge before me on December 20,
1989 by *Kevin P. Olmstead*, *Vice President* of ARCADIAN
CORPORATION, a Delaware corporation, on behalf of said corporation.

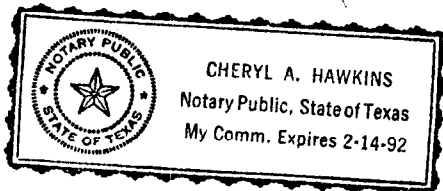


Cheryl Hawkins
Notary Public in and for
The State of T E X A S

My commission expires: 2-14-92

THE STATE OF TEXAS §
§
COUNTY OF HARRIS §

This instrument was acknowledged before me on December 20,
1989, by *Gregory R. Ford*, *Vice President* of Texas
Commerce Bank National Association, a national banking association,
on behalf of said association.



Cheryl Hawkins
Notary Public in and for
the State of T E X A S
Printed Name: *Cheryl Hawkins*
My Commission Expires: 2-14-92

Schedule 1: Rolling Stock
Schedule 2: Rolling Stock Leases and Leased Rolling Stock

SCHEDULE 1
to the
ROLLING STOCK SECURITY AGREEMENT

OWNED ROLLING STOCK

1. G.E. Diesel Locomotive, Model B-D160/160 4GHM833-500;
Serial No. 18071
2. G.E. Diesel Locomotive, Model D50/50, G.E. 723/150;
Serial No. 3129
3. Clark CT50 Tug 2144640
4. Clark CT50 Tug 2154640
5. Clark CT50 Tug 82-5001
6. Railroad Tank Cars with an A.A.R. Mechanical Designation
of "T":

(a) Eighty-One Aluminum Tank Cars identified as follows:

CNCX10001	CNCX10002	CNCX10003	CNCX10004	CNCX10005
CNCX10006	CNCX10007	CNCX10008	CNCX10009	CNCX10010
CNCX10011	CNCX10012	CNCX10013	CNCX10014	CNCX10015
CNCX10016	CNCX10017	CNCX10018	CNCX10019	CNCX10020
CNCX10022	CNCX10023	CNCX10024	CNCX10025	CNCX10026
CNCX10027	CNCX10028	CNCX10029	CNCX10030	CNCX10031
CNCX10032	CNCX10033	CNCX10034	CNCX10035	CNCX10036
CNCX10037	CNCX10038	CNCX10039	CNCX10040	CNCX10041
CNCX10042	CNCX10044	CNCX10045	CNCX10046	CNCX10047
CNCX10048	CNCX10050	CNCX10051	CNCX10052	CNCX10053
CNCX10054	CNCX10055	CNCX10056	CNCX10057	CNCX10058
CNCX10059	CNCX10060	CNCX10061	CNCX10062	CNCX10063
CNCX10064	CNCX21001	CNCX21002	CNCX21003	CNCX21004
CNCX21005	CNCX21006	CNCX21007	CNCX21008	CNCX21009
CNCX21010	CNCX21011	CNCX21012	CNCX21013	CNCX21014
CNCX21015	CNCX21016	CNCX21017	CNCX21018	CNCX21019
CNCX21020				

(b) Twenty Aluminum Coiled Tank Cars identified as follows:

CNCX20001	CNCX20002	CNCX20003	CNCX20004	CNCX20005
CNCX20006	CNCX20007	CNCX20008	CNCX20009	CNCX20010
CNCX20011	CNCX20012	CNCX20013	CNCX20014	CNCX20015
CNCX20016	CNCX20017	CNCX20018	CNCX20019	CNCX20020

(c) Ten Stainless Steel Tank Cars identified as follows:

CNCX30001	CNCX30002	CNCX30003	CNCX30004	CNCX30005
CNCX30006	CNCX30007	CNCX30008	CNCX30009	CNCX30010

SAC\29842\9001
09100060.poc

SCHEDULE 2
to the
ROLLING STOCK SECURITY AGREEMENT

ROLLING STOCK LEASES

1. Car Leasing Agreement No. 3408 dated June 6, 1985 between General Electric Railcar Services Corporation ("GERSCO") as lessor, and Hawkeye Chemical Company, Inc. ("Hawkeye"), as lessee; as amended and/or supplemented by:
 - (a) Rider No. 1 to Car Leasing Agreement No. 3408 dated November 5, 1985 between GERSCO and Hawkeye (assumed by PLM Railcar Management Services as lease assignee from GERSCO);
 - (b) Rider No. 4 to Car Leasing Agreement No. 3048 dated March 3, 1988 between GERSCO and Hawkeye.
2. Car Leasing Agreement No. 9344-83 dated January 20, 1989 between General Electric Rail Car Services Corporation ("GERSCO") as lessor, and Western Branch Holding Co., Inc. ("Nitrex"), as lessee, as supplemented by Rider No. 1 to Car Leasing Agreement No. 9344-83 dated January 20, 1989 between GERSCO and Nitrex.
3. Pullman Leasing Company Lease of Railroad Equipment dated February 22, 1989 between Pullman Leasing Company ("Pullman"), as lessor, and Western Branch Holding Company d/b/a Nitrex ("Nitrex") as lessee; as amended and/or supplemented by:
 - (a) Rider No. 1 to Lease No. WESBRI01A dated February 22, 1989 between Pullman and Nitrex, effective February 1, 1989;
 - (b) Rider No. 3 dated July 2, 1989 to Lease No. WESBRI03A dated February 22, 1989 between Pullman and Nitrex.
4. Car Service Agreement dated October 1, 1984 between Union Tank Car Company ("UTLX"), as lessor, and Columbia Nitrogen Corporation ("Columbia"), as lessee, as amended and/or supplemented by:
 - (a) Rider No. 7 to Car Service Agreement dated November 13, 1987 between UTLX and Columbia;

- (b) Rider No. 9 to Car Service Agreement dated December 1, 1988 between UTLX and Columbia; and
 - (c) All other riders to the Car Service Agreement, to the extent that the Car Service Agreement and the Riders thereto have been renewed and/or are effective as of the date hereof.
5. Union Tank Car Company Car Service Agreement dated January 1, 1961 between Union Tank Car Company ("UTLX"), as lessor, and Olin Mathieson Chemical Corporation ("Olin"), as lessee:
- (a) to the extent permission to grant a security interest was sought by that certain letter dated August 9, 1989 from Olin to UTLX; and
 - (b) for the fifty three (53) cars identified on the Exhibit A attached to that certain letter dated August 16, 1989 from UTLX to Olin as limited by the Section 4.04 labeled Subordination and attached thereto.
6. Car Service Contract dated June 13, 1985 between Union Tank Car Company ("UTLX"), as lessor, and Hawkeye Chemical Company ("Hawkeye"), as lessee; as amended and/or supplemented by:
- (a) Rider No. 7 dated June 1, 1988 to Car Service Agreement dated June 13, 1985 between UTLX and Hawkeye;
 - (b) Rider No. 8 dated February 1, 1989 to Car Service Agreement dated June 13, 1985 between UTLX and Hawkeye.

SAC\29842\9001
09100086.DOC